

Long-Term Stewardship at Contaminated Sites: Innovative Funding and Oversight Mechanisms

Center for Risk Management
Resources for the Future

Increasingly, representatives of state and local government, as well as citizens living and working near contaminated sites, are asking, “Where is the money going to come from to implement needed post-cleanup activities?” At some federally owned sites, communities have suggested that the federal government establish (and finance) a trust fund to assure that financial resources are available in the future. At privately owned sites, some responsible parties are considering creating private trusts for a similar purpose.

In the third major project funded under the Center for Risk Management’s cooperative agreement with DOE’s Office of Environmental Management, Senior Fellow Kate Probst, along with Fellow Carl Bauer and Research Assistant Sarah Cahill, are conducting research to identify and evaluate a range of innovative institutional alternatives for assuring long-term financing and oversight of stewardship activities at both federal and private sites.

Over the past few years, the notion of “long-term stewardship” has gone from being an ill-defined concept to a set of specific activities that many people agree will be needed at contaminated sites across the country. Even after remediation and engineering activities are complete, many of these sites will harbor residual contamination at levels that do not allow unrestricted uses. Likely post-closure activities include: site monitoring and maintenance, application and enforcement of legal restrictions on land and groundwater use (commonly referred to as “institutional controls”), information management, environmental monitoring, and research and development.

Many of the sites that have been cleaned up under the auspices of the federal Superfund and Resource, Conservation and Recovery Act (RCRA) programs are likely to require this kind of post-cleanup care. They include over one hundred sites in the nuclear weapons complex, many closed military bases, and many sites on the U.S. Environmental

Protection Agency's National Priorities List (NPL sites). Sites addressed under other federal, as well as state, programs may also require similar post-closure care.

The Center's new project has three major tasks. The first step is to identify the full range of possible funding mechanisms that could be employed to finance stewardship activities. The institutional arrangements examined will include (but not be limited to): federal trust funds, private and charitable trusts, land conservancies, and other special purpose government entities. The initial list of alternatives will be completed in the Fall of 1999 and will be based on information from secondary sources as well as on interviews with experts in the field. The second task will be to develop a list of criteria for evaluating the strengths and weaknesses of these different approaches. The criteria will be developed based on a review of the many reports on long-term stewardship, as well as on selected interviews. The third major component of the project will be to draft a report evaluating each alternative to assess which approaches are most promising for sites owned by the federal government, and which are most appropriate for privately-owned sites. A draft of this report will be circulated for external review in the Spring. In addition, RFF will host an invitation-only workshop in late March, 2000 to bring together people with experience with these different kinds of institutional approaches and government and citizen representatives seeking ways to finance and provide oversight of long-term stewardship activities. The final report for this project will be issued in June, 2000.

For more information, contact Kate Probst at 202-328-5061 or probst@rff.org.

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